Small factories in the State.

212. *MR. P. S. MAHOMED: Will the Government be pleased to state whether they are against the continuance of small factories in the State?

MR. T. K. GOPALAN NAIR: No. It is the policy of Government to encourage small scale factories as well as large scale factories.

MR. P. S. MAHOMED: കഴിഞ്ഞ രണ്ടു വർഷങ്ങളായി ഇവ കയർ ഇൻഡസ്ട്രിയുടെ 'floatation'-നെ സംബന്ധിച്ച് എത്ര കാൺഫ്രൻസുകൾ നടന്നിട്ടുണ്ടെന്നു പറയാമോ?

MR. T. K. GOPALAN NAIR: Sir, that does not arise.

PRESIDENT: What is the point that the honourable member wishes to urge?

MR. P. S. MAHOMED: Sir, not a single representative from the small scale industry was included in the conference, but Government say that it is their policy to encourage small scale factories.

PRESIDENT: Order, Order. Government would, if it were possible, hand over these contracts to small scale industries in preference to large scale industries provided they can so arrange themselves as to fulfil those contracts. The honourable member knows better than me that the Government were faced with a very difficult situation. The Government were faced with a situation that, at one stage the demand for coir goods practically ceased because of the competition with Jute and other rival products; and they had therefore to exert themselves to the utmost. It involved atleast two visits by me to Delhi to try and persuade the Government of India to encourage Coir goods and the purchase of coir goods by the War Department, because no other goods were exported to outside India. Only those which could serve the war needs were exported. In the meantime, the competition from Jute was strong and the Government of India were not very keen to have recourse to coir. After a considerable amount of arguments, the Government of India determined to encourage the purchase of Coir. A large amount of Coir goods were ordered, but it was then found that there was great difficulty in getting those orders fulfilled or performed. And complaints arose, and there was grave risk of the orders being cancelled and the Coir Industry being practically disestablished. Thereupon as a result of a conference at which a member of the Government of India in charge of this subject, the various Secretaries of the War Departments, military men and myself were present, I took upon myself the responsibility of supplying the goods provided they would give a minimum guarantee of taking a certain amount of coir. After that, I made it known by various orders and Press communications that the Coir industry should organise itself with the big industries for the purpose of fulfilling those orders. I preached that that was a great opportunity for the small scale factories to organise themselves and I am still to see any evidence of such organisation.

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Again a crisis overtook us. But the devastation that has been wrought in Europe has made it impossible for most countries on the Continent like France, Holland, even Norway or Italy to have rugs or any other materials for their flooring. In all probability, therefore, in future, we who were solely dependent on a certain group of people in England and a smaller group of people in America for the sale of our coir goods are blessed with the pleasing prospect of the supply of coir goods to the whole of the devastated countries of Europe. In order to arrange this, there was a conference held in Delhi and the general issue of the conference was in favour of Travancore. But as a condition precedent the Government of India wanted us to take the entire supply in response to orders for goods during the War. The Government have therefore most reluctantly, but inevitably to take the responsibility of being the sellers of coir for the purpose of war to the Government of India. As a result of the negotiations we got one advantage. The Government of India have decided to lift the ban which they have exercised elsewhere. No Coir was allowed to be exported to America and as a result of negotiations those bans on export were removed with the result that we are to supply to the War Departments with the prospect of supplying for the peace to come.

Whether those orders go to large dealers or small dealers is a question left entirely to the dealers themselves. Goverment must get these goods and even after the war, the Government will probably bring into existence as organisation composed of large and small dealers in which, I hope, the small dealers will play their part worthily for the purpose of keeping up a regulation which at present Government are keeping under war conditions. Later on Government will drop out of the picture and will allow the trade to arrange for themselves, but the trade will be acting suicidally if they do not work and see to the proper supply, the proper grading and to the proper quality. One of the reasons why America was rather worried about coir goods was that the first shipment was very good; the second shipment was bad the third shipment was worse, and therefore a certain grade or quality had to be preserved especially when we have to build up a factory industry or a small scale industry which will serve the needs of Post-war Europe. That is the exact position, and I am glad that I had this opportunity of explaining the position, because if this Government can be satisfied today that Mr. Mahomed and men of his type will gather all these small industries together and make them a Joint Stock Company or a Co-operative Society or a syndicate or a cartel—whatever you call it—orders will be given most impartially and with due preference to the smaller men rather than the bigger men. I have made it clear to the Government of India. The Government of India as a matter of fact, wanted at one time to give the contract to A, B and C. We said we would not allow it, that we will distribute it as we desired, and that would be in favour of the small producer. In future the same problem will arise. That is the position.

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MR. P. O. THOMAS: May I know the purpose of fixing the ceiling price for coir?

PRESIDENT: If we do not fix, the Government of India will not buy. The obvious point is that they say they want coir goods, and that they are not prepared to pay more than a particular amount. The Government, even in spite of the war, make a difference between one thing and the other; for instance, for aero-dromes they may be willing to spend Rs. 70 lakhs though Rs. 3 lakhs would be enough. I do not blame anybody for that, but that is a position. They declined to pay more than a certain price for coir. If we have to hand over the goods at a certain price without fixing a ceiling price, we cannot fulfil the contract which the Government have entered into. That is the reason for fixing the ceiling price.

I hope what I have said will be regarded not as a reproach but as an incentive for Mr. Mahomed and his friends.

Export of coir goods.

213. ***MR. P. S. MAHOMED:** Will the Government be pleased to state whether they propose to restrict the export of coir goods by merchants?

MR. T. K. GOPALAN NAIR: No further restrictions are proposed.

Municipal Council, Quilon.

214. ***MR. T. T. KESAVAN SASTRY:** Will the Government be pleased

(*a*) to lay on the table a statement, by caste, of the members of the Municipal Council, Quilon; and

(*b*) to state the total number of nominated members in the said Council?

MR. C. P. GOPALA PANICKER (*Secretary to Government*): (*a*) Statement, by caste, of non-official members of the Municipal Council, Quilon.

S. No.	*Caste.*	*Number.*
1.	*Hindus.*	
	(i) Brahmins ...	1
	(ii) Nairs ...	7
	(iii) Ezhavas ...	3
	(iv) Thandan ...	1
	(v) Pulaya ...	1
	(vi) Goldsmith ...	1
2.	*Christians* ...	1
3.	*Muhammadans* ...	5

(*b*) 2.

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